STATE OF VERMONT
CONTRACT AMENDMENT

It is hereby agreed by and between the State of Vermont, Department of Vermont Health Access (the "State") and OneCare Vermont Accountable Care Organization, LLC, with a principal place of business in Colchester, VT (the "Contractor") that the Contract #32318 between State and Contractor (together "Parties") originally dated January 1, 2017, and as amended to date, (the "Contract") is hereby amended as follows effective January 1, 2020:

I. **Attachment B, Payment Provisions**. The Payment Provisions are amended as follows:

a. Section B, Methodology for ETCOC, is hereby deleted and replaced as follows:

B. Methodology for ETCOC

DVHA's actuary shall develop, with validation by Contractor or its designee, actuarially certified rates set in this Contract. The ETCOC shall be calculated separately for the Traditional Attribution Cohort and Expanded Attribution Cohort based upon the following methodology:

i. Determine Attributed Members and allocate each Attributed Member to a MEG.
ii. Identify all Base Year claims for Attributed Members using four months of runout.
iii. Calculate the baseline expenditure on a PMPM basis for each of the MEGs.
iv. For each MEG, trend the Base Year claims forward to the 2020 Performance Year by applying a trend factor, agreed to by the Parties, that combines the impact of utilization changes, rate changes, truncation adjustment, and population changes to determine the pre-adjusted ETCOC PMPM for each MEG. The trend factor for each MEG will be adjusted for mutually agreed upon, material external changes in underlying reimbursements or policies that are not expected to continue into the current Performance Year. The trend factor shall be developed independent of any assumptions about Contractor activity or efficiency during the Performance Year.
v. Apply a VMNG Program efficiency factor equaling a 0.2% reduction applied to the pre-adjusted ETCOC PMPM for each MEG.

b. Section F, Risk Corridor, is hereby deleted and replaced as follows:

F. Risk Corridor

1. The Parties agree that the ETCOC serves as the benchmark upon which the Risk Corridor is based.
2. Additionally, the Parties agree to a Risk Corridor arrangement as follows:
    a. For the Traditional Attribution Cohort, the Risk Corridor will be 4% and applied as follows:
        - If, at the time of Year-End Reconciliation, the ATCOC is between 100% and 104% of the ETCOC amount, Contractor agrees it is liable for the costs between 100% and 104% (downside risk). To the extent those costs are borne by DVHA during the year, Contractor shall be liable to DVHA. If the ATCOC is greater than 104% of the ETCOC amount, Contractor is liable for costs between 100% and 104%, and DVHA is liable for any costs exceeding 104%.
        - Conversely, if the ATCOC is between 96% and 100% of the ETCOC, Contractor will be entitled to receive from DVHA payment of the full amount of the ETCOC

(upside risk). If the ATCOC is lower than 96% of the ETCOC, Contractor will be entitled to receive payment of the full value of the ETCOC less the difference between the ATCOC and 96% of the ETCOC.

b. For the Expanded Attribution Cohort, the Risk Corridor will be 2% upside and 1% downside and applied as follows:
   - If, at the time of final reconciliation, the ATCOC is between 100% and 101% of the ETCOC amount, Contractor agrees it is liable for the costs between 100% and 101%. To the extent those costs are borne by DVHA during the year, Contractor shall be liable to DVHA. If the ATCOC is greater than 101% of the ETCOC amount, Contractor is liable for costs between 100% and 101%, and DVHA is liable for any costs exceeding 101%.
   - Conversely, if the ATCOC is between 98% and 100% of the ETCOC, Contractor will be entitled to receive from DVHA payment of the full amount of the ETCOC. If the ATCOC is lower than 98% of the ETCOC, Contractor will be entitled to receive payment of the full value of the ETCOC less the difference between the ATCOC and 98% of the ETCOC.

3. Prior to the Year-End Reconciliation, the downside risk for the Traditional Attribution Cohort and Expanded Attribution Cohort shall be reduced by the proportion of Performance Year 2020 months within the federally-declared Public Health Emergency. The result shall be a proportional reduction in any financial liability Contractor may bear for an ATCOC greater than 100% of the ETCOC for both the Traditional Attribution Cohort and the Expanded Attribution Cohort.
4. If during the Contract, DVHA determines that the Fee-for-Service Payments are 10% or more above the allocation of Fee-for-Service Payments (Exhibit 1 to Attachment B) multiplied by the number of member months or if the ATCOC is projecting to exceed 104% of the benchmark for the Traditional Attribution Cohort or 101% for the Expanded Attribution Cohort, this could indicate that the program is not performing as intended and the Parties shall meet to discuss utilization or costs and potential required remedies. Evaluations will occur no less frequently than quarterly within 60 days of the end of the quarter.

c. Section G, Reconciliation, is hereby deleted and replaced as follows:

G. Reconciliation

1. Year-End Reconciliation Process: The Parties agree that Year-End Reconciliation, as defined in Attachment A, Section 1.1, will be conducted separately for the Traditional and Expanded Attribution Cohorts and in accordance with Section 10.6 of Attachment A of this Contract using all reports in Section 10.4 through and including 10.4.9.
2. Before calculating any differences between the ETCOC and ATCOC, DVHA will retrospectively review attribution and Member eligibility for the Performance Year. DVHA will communicate proposed changes to Contractor and Contractor will have the opportunity to review and validate the proposed changes to the extent possible. In the event there are valid changes, DVHA will calculate any corresponding financial reconciliation of the ETCOC and Value-Based Care Payment and present this reconciliation to Contractor. Contractor will have the opportunity to review the reconciliation for accuracy. After validation, the dollar amount of the reconciliation will be factored into the calculation to determine the final program settlement amount.
3. Prior to calculating any differences between the ETCOC and ATCOC, DVHA will remove from the calculation of the ATCOC any COVID-19-related episodes of care which episodes will include one

month post hospital discharge, as triggered by an inpatient stay with diagnosis code B97.29 (other coronavirus as the cause of diseases classified elsewhere) for lengths of stay ending on or after January 27, 2020 and on or before March 31, 2020, or diagnosis code U07.1 (Covid-19) for lengths of stay on or after April 1, 2020 and through the duration of the COVID-19 Public Health Emergency.

4. The aggregate difference between the ETCOC and ATCOC will be determined by subtracting the ATCOC from the ETCOC. By way of example, the calculations will be applied in the following order.

Year-End Reconciliation Calculations

DVHA Value-Based Care Payment to Contractor	(A)	*(B) + (C)*
Fixed Prospective Payment	(B)	
Administrative Fee	(C)	
Population Health Programs Investments	(D)	*C - $3.25 PMPM*
Total Contractor Payments to Participating Providers	(E)	*(B) + (D)*

Total Expected Zero-paid Claims	(F)	*= (B)*
Total Actual Zero-paid Claims	(G)	
Zero-paid Claims Over (Under) Spend	(H)	*(G) – (F)*

Total Expected FFS	(I)	
Actual FFS - In Network	(J)	
Actual FFS - Out of Network	(K)	
Total Actual FFS	(L)	*(J) + (K)*
FFS Over (Under) Spend	(M)	*(L) – (I)*

ETCOC	(N)	*(F) + (I)*
ATCOC	(O)	*(F) + (L)*
Total Cost of Care Over (Under) Spend	(P)	*(O) – (N)*

Total Cost of Care Over (Under) Spend	(P)	
Year-End Reconciliation of Value-Based Care Payment (if necessary)	(Q)	
Final Cash Settlement	**(R)**	***(P) + (Q)***

d. Section J, Value-Based Incentive Fund Program, number 3 (Performance Measures and Incentive Payment Structure), is hereby deleted and replaced as follows:

3. Performance Measures and Incentive Payment Structure

The performance measures, targets and incentive payment opportunities for Performance Year 2020 are set forth in the tables below. Performance measures and targets may change on a year-to-year basis as program priorities shift and as necessary to support continuous quality improvement. The performance measures and targets applicable during subsequent years of the Contract shall be established annually by DVHA and reflected in an amendment to the Contract.

Due to the COVID-19 Public Health Emergency, Performance Year 2020 will be a reporting-only year for the measures set forth below, and Contractor will earn a quality score of 100% for reporting on the below measures. Contractor results and performance shall be calculated based on care delivered during Performance Year 2020. Contractor shall submit information to DVHA, in the format and detail specified by DVHA, with respect to each performance measure set forth below.

Measure	Measure Use – Traditional Attribution Cohort	Measure Use – Expanded Attribution Cohort	Data Source	National or Multi-State Medicaid Benchmarks Available for 2020 Contract Year
30 Day Follow-Up after Discharge from the ED for Alcohol and Other Drug Abuse or Dependence	Reporting †	Reporting	Claims	Yes
30 Day Follow-Up after Discharge from the ED for Mental Health	Reporting †	Reporting	Claims	Yes
Adolescent Well Care Visits	Reporting	Reporting	Claims	Yes
All Cause Unplanned Admissions for Patients with Multiple Chronic Conditions	Reporting ‡	Reporting	Claims	No
Developmental Screening in the First 3 Years of Life	Reporting	Reporting	Claims	Yes
Diabetes Mellitus: Hemoglobin A1c Poor Control (>9%)	Reporting	N/A	Clinical	Yes
Hypertension: Controlling High Blood Pressure	Reporting	N/A	Clinical	Yes
Initiation of Alcohol and Other Drug Abuse or Dependence Treatment	Reporting	Reporting	Claims	Yes
Engagement of Alcohol and Other Drug Abuse or Dependence Treatment	Reporting	Reporting	Claims	Yes
Screening for Clinical Depression and Follow-Up Plan	Reporting‡	N/A	Clinical	No
Follow-Up after Hospitalization for Mental Illness (7 Day Rate)	Reporting	Reporting	Claims	Yes
Tobacco Use Assessment and Tobacco Cessation Intervention	Reporting	N/A	Clinical	No
Patient Centered Medical Home (PCMH) Consumer Assessment of Healthcare Providers & Systems (CAHPS) Survey Composite Measures collected by DVHA§	Reporting	N/A	Survey	No

† 2020 contract year performance will be compared to national HEDIS benchmarks released in September of 2018.

‡ 2020 contract year performance will be compared to VMNG Program -specific performance in the 2018 contract year if national benchmarks are not available.

§ DVHA's certified CAHPS vendor will calculate VMNG Program -specific performance on behalf of Contractor.

a. Reporting measures will not be scored.
b. Contractor's quality performance in each Performance Year will be compared to national Medicaid percentile benchmarks (or multi-state benchmarks, if no national benchmarks are available), and each measure will be scored individually.

	2020
% of ETCOC Allocated to Value-Based Incentive Fund	2.0%
Total Possible Points	Up to 20
Points Awarded for Reporting	20
Improvement Points Available	No

National (or Multi-State) Benchmark	**2020 Points Awarded**
90th+ percentile*	N/A
75th+ percentile	N/A
50th+ percentile	N/A
25th+ percentile	N/A
<25th percentile	N/A

c. Contractor shall distribute Value-Based Incentive Funds to Participating Providers using a methodology (and quality measures appropriate for provider comparison) of their choosing, subject to approval from DVHA. Contractor shall annually provide a proposed methodology for approval prior to the end of the Performance Year. Such proposal shall be approved or denied within thirty (30) days of submission to the DVHA Program Manager.
d. Fifty (50) percent of quality funds not distributed to network providers based on quality performance shall be reinvested into ongoing quality improvement initiatives using an approach proposed by Contractor and approved by DVHA; the remaining fifty (50) percent shall be returned to DVHA. Contractor shall annually provide a proposed approach for DVHA's approval within 90 days after the completion of the Year-End Reconciliation process. Such approval shall be granted or denied within thirty (30) days of submission to the contract monitor. Contractor shall supply an annual report detailing the distribution of funds for quality improvement initiatives by December 31st.
e. The proportion available for allocation to network providers shall be determined by the overall quality score; half of the remainder shall be reinvested and the other half of the remainder shall be returned to DVHA, per the formulae below.
    a. Proportion of Value-Based Incentive Fund Available for Distribution to Network Providers = (1/[total possible points])*[points earned]
    b. Proportion of Value-Based Incentive Fund Available for Reinvestment in QI Initiatives by Contractor = (1//[total # possible points])*([total possible points]-[points earned])/2

Proportion of VBIF Accrued to DVHA = (1//[total # possible points])*([total possible points]-[points earned])/2

II. Exhibit 3 to Attachment A, Calendar Year 2020 Pilot Project. Exhibit 3 is amended by the removal of number 3 (Rutland HSA VCCI Pilot Project) in its entirety.

Taxes Due to the State. Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, the Contractor is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due the State of Vermont.

Child Support (Applicable to natural persons only; not applicable to corporations, partnerships or LLCs). Contractor is under no obligation to pay child support or is in good standing with respect to or in full compliance with a plan to pay any and all child support payable under a support order as of the date of this amendment.

Certification Regarding Suspension or Debarment. Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, neither Contractor nor Contractor's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Contractor further certifies under pains and penalties of perjury that, as of the date this contract amendment is signed, Contractor is not presently debarred, suspended, nor named on the State's debarment list at: http://bgs.vermont.gov/purchasing-contracting/debarment

This document consists of 7 pages. Except as modified by this Amendment No. 7, all provisions of the Contract remain in full force and effect.

The signatures of the undersigned indicate that each has read and agrees to be bound by this Amendment to the Contract.

STATE OF VERMONT

E-SIGNED by Cory Gustafson
on 2020-12-29 19:50:20 GMT

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CONTRACTOR

E-SIGNED by Victoria Loner
on 2020-12-29 19:49:37 GMT

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